

Objection Deadline: June 30, 2013 at 4:00 p.m. (Prevailing Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
-----)	

**NOTICE OF FILING OF LEWIS KRUGER'S FOURTH MONTHLY FEE
REPORT OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD
FROM MAY 1, 2013 THROUGH MAY 31, 2013**

PLEASE TAKE NOTICE that pursuant to the *Order Granting Debtors' Motion Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for an Order Authorizing the Debtors to Appoint Lewis Kruger as Chief Restructuring Officer* [Docket No. 3103] entered by the Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), Lewis Kruger is required to file with the Bankruptcy Court reports, on at least a quarterly basis, of compensation earned and expenses incurred in Mr. Kruger's capacity as Chief Restructuring Officer in the above-captioned chapter 11 cases of Residential Capital, LLC and its affiliated debtors (collectively, the "Debtors"). Attached hereto as

Exhibit 1 is Mr. Kruger's fourth monthly fee report for the period from May 1, 2013 through May 31, 2013 (the "Monthly Fee Report").

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Monthly Fee Report must be made in writing, conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and the Notice, Case Management, and Administrative Procedures approved by the Bankruptcy Court [Docket No. 141], be filed electronically by registered users of the Bankruptcy Court's electronic case filing system, and be served, so as to be received no later than **June 30, 2013 at 4:00 p.m. (Prevailing Eastern Time)**, upon: (a) counsel for the Debtors, Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attention: Gary S. Lee, Lorenzo Marinuzzi, Jennifer Marines and Meryl L. Rothchild); (b) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, NY 10004 (Attention: Tracy Hope Davis, Linda A. Riffkin, and Brian S. Masumoto); (c) the Office of the United States Attorney General, U.S. Department of Justice, 950 Pennsylvania Avenue NW, Washington, DC 20530-0001 (Attention: US Attorney General, Eric H. Holder, Jr.); (d) Office of the New York State Attorney General, The Capitol, Albany, NY 12224-0341 (Attention: Nancy Lord, Esq. and Enid N. Stuart, Esq.); (e) Office of the U.S. Attorney for the Southern District of New York, One St. Andrews Plaza, New York, NY 10007 (Attention: Joseph N. Cordaro, Esq.); (f) counsel for Ally Financial Inc., Kirkland & Ellis LLP, 153 East 53rd Street, New York, NY 10022 (Attention: Richard M. Cieri); (g) counsel to Barclays Bank PLC, as administrative agent for the DIP lenders, Skadden, Arps, Slate, Meagher & Flom LLP, Four Times Square, New York, NY 10036 (Attention: Ken Ziman & Jonathan H. Hofer);

(h) counsel for the committee of unsecured creditors, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036 (Attention: Kenneth Eckstein & Greg Horowitz); (i) counsel for Ocwen Loan Servicing, LLC, Clifford Chance US LLP, 31 West 52nd Street, New York, NY 10019 (Attention: Jennifer C. DeMarco and Adam Lesman); (j) counsel for Berkshire Hathaway Inc., Munger, Tolles & Olson LLP, 355 South Grand Avenue, Los Angeles, CA 90071 (Attention: Thomas Walper and Seth Goldman); (k) Internal Revenue Service, P.O. Box 7346, Philadelphia, PA 19101-7346 (if by overnight mail, to 2970 Market Street, Mail Stop 5-Q30.133, Philadelphia, PA 19104-5016); and (l) Securities and Exchange Commission, New York Regional Office, 3 World Financial Center, Suite 400, New York, NY 10281-1022 (Attention: George S. Canellos, Regional Director).

PLEASE TAKE FURTHER NOTICE that if a timely objection is filed and served, the Debtors will schedule a hearing with the Bankruptcy Court with respect to the objection to such fees and/or expenses stated in the Monthly Fee Report.

Dated: June 10, 2013
New York, New York

Respectfully submitted,

/s/ Gary S. Lee

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*Counsel for the Debtors and
Debtors in Possession*

Exhibit 1

RESCAP

June 10, 2013

Re: Mr. Kruger (Monthly Fee Report)

In accordance with the *Order Granting Debtors' Motion Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for an Order Authorizing the Debtors to Appoint Lewis Kruger as Chief Restructuring Officer* [Docket No. 3103], annexed herewith is the billing report of Lewis Kruger covering the period from May 1, 2013 to May 31, 2013 (the "Monthly Fee Report"). As reflected in the Monthly Fee Report, Mr. Kruger seeks payment of \$125,300.00 for professional services rendered, and \$152.00 for expense reimbursements for this period.

The professional services rendered by Mr. Kruger and so covered by this Monthly Fee Report include:

- Guide and manage the Debtors, the Creditors' Committee, monoline insurers, RMBS Trustees, and other large creditor groups and their respective advisors in settlement communications and negotiations to formulate a plan support agreement along with a plan term sheet and supplemental term sheet to be the basis for a joint chapter 11 plan;
- Engage in discussions with the Debtors, the Debtors' Board of Directors, and key constituents relating to negotiations concerning the joint plan, and certain events impacting the filing of the joint plan, including issues surrounding the sealing of the examiner's report, the Debtors' need to extend exclusivity with a purpose towards the Debtors' ability to file a joint plan
- Manage the discussions and negotiations between the Debtors and other parties in interest to discuss plan structure and analyze the impact of certain claim settlement structures and distribution waterfall schemes in connection with the settlement and allowance of certain classes of claims, including monoline claims, certain class action claims, and strategy related thereto in connection evaluating potential creditor recoveries and settlement negotiations relating to same;
- Provide strategic leadership to the Debtors' executive management team relating to a broad variety of issues relating to the management of the estates, including the composition of the board of directors and officers of the Company, asset monetization, insurance, and employment-related issues.

Attached please find: (i) a summary of hours devoted and amounts billed to certain project categories of professional services rendered, annexed hereto as Exhibit A; (ii) a description of professional services and/or tasks comprising each project category to which Mr. Kruger expended time and for which he seeks compensation, annexed hereto as Exhibit B; and (iii) a detailed list of expenses incurred in connection with these chapter 11 cases for which Mr. Kruger seeks reimbursement, annexed hereto as Exhibit C. Detailed time entries are available for review upon request.

Very truly yours,



Tammy Hamzehpour
Chief Business Officer

Residential Capital, LLC

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EXHIBIT A

**Monthly Fee Report
May 1, 2013 – May 31, 2013**

Project Category	Hours	Rate	Value
1 - Plan Mediation	56.5	\$ 895.00	\$ 50,567.50
2 - Plan – General	56.5	\$ 895.00	\$ 50,567.50
3 - RMBS Settlement	1.0	\$ 895.00	\$ 895.00
4 - Claims Management	6.0	\$ 895.00	\$ 5,370.00
5 – Hearings	4.0	\$ 895.00	\$ 3,580.00
6 - Estate Management	16.0	\$ 895.00	\$ 14,320.00
TOTAL	140.0		\$ 125,300.00

EXHIBIT B

Project Category Descriptions

Project Category	Services Provided / Task Description
1 - Plan Mediation	Communicating and meeting with the Mediator to discuss direction and progress of settlement negotiations between the Debtors and Mediation Parties, providing guidance to parties with respect to the plan support agreement, plan term sheet and supplemental term sheet outlining proposed settlements and plan terms, reviewing potential creditor recovery allocations and available insurance, and participating in series of negotiation sessions in connection therewith.
2 - Plan - General	Assisting the Debtors in analyzing and negotiating with parties with respect to the plan support agreement, plan term sheet and supplemental term sheet outlining proposed settlements and plan terms, the formation of a joint plan and potential recovery scenarios pursuant to settlement discussions with the Debtors, their creditors and key stakeholders, including the Creditors' Committee, monoline insurers, and RMBS Trustees, and assisting such parties in working towards a joint chapter 11 plan, as well as discussions concerning the Debtors' extension of their exclusive period to file a plan and sealing of the examiner's report.
3 - RMBS Settlement	Communicating with the Debtors and RMBS Trustees in connection with the RMBS settlement litigation, and discussing issues related thereto.
4 - Claims Management	Meeting with the Debtors' respective management teams and professionals in connection with claims administration, including claims asserted by the Junior Secured Noteholders and potential paydown of junior secured bond debt and impact on other claims, the treatment of certain class action claims, borrower claims, and general unsecured claims, and the impact of a FRB settlement on creditor recoveries.
5 - Hearings	Preparing for and attending hearings.
6 - Estate Management	Participating in discussions the Debtors' respective management teams and professionals to oversee the estate management plan, the composition of the Company's board and directors, tax issues, and insurance coverage issues on the estates so as to manage the Debtors' resources to effectively and efficiently throughout the chapter 11 process.

EXHIBIT C

Expense Detail

TRANSPORTATION		
Date	Amount	Business Purpose
4/24/2013	\$ 12.00	Cab from home to MoFo.
5/1/2013	\$ 16.00	Cab to MoFo.
5/6/2013	\$ 12.00	Cab home from MoFo.
5/7/2013	\$ 12.00	Cab home from MoFo.
5/8/2013	\$ 6.00	Cab to MoFo from Blackstone.
5/8/2013	\$ 6.00	Cab to Blackstone from MoFo.
5/8/2013	\$ 15.00	Cab home from MoFo.
5/9/2013	\$ 7.50	Cab to MoFo from home.
5/13/2013	\$ 5.50	Cab home from MoFo.
5/22/2013	\$ 11.00	Cab from home to MoFo.
5/22/2013	\$ 12.50	Cab to board meeting.
5/23/2013	\$ 17.50	Cab to MoFo.
TOTAL:	\$ 152.00	
MEALS		
Date	Amount	Business Purpose
N/A	N/A	N/A
COPIES; TELEPHONE CHARGES		
Date	Amount	Business Purpose
N/A	N/A	N/A
MISCELLANEOUS		
Date	Amount	Business Purpose
N/A	N/A	N/A
MAY EXPENSE TOTAL:	\$ 152.00	